

HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 14

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

AN ACT

RELATING TO TORT CLAIMS; INCREASING THE MAXIMUM LIABILITY  
AMOUNTS FOR CERTAIN CLAIMS AGAINST A GOVERNMENTAL ENTITY OR  
PUBLIC EMPLOYEE PURSUANT TO THE TORT CLAIMS ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 41-4-19 NMSA 1978 (being Laws 1976,  
Chapter 58, Section 17, as amended) is amended to read:

"41-4-19. MAXIMUM LIABILITY.--

A. Unless limited by Subsection B of this section,  
in any action for damages against a governmental entity or a  
public employee while acting within the scope of ~~[his]~~ the  
employee's duties as provided in the Tort Claims Act, the  
liability shall not exceed:

(1) the sum of ~~[one hundred thousand dollars~~  
~~(\$100,000)]~~ two hundred thousand dollars (\$200,000) for each

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1 legally described real property for damage to or destruction of  
2 that legally described real property arising out of a single  
3 occurrence; [~~and~~]

4 (2) the sum of three hundred thousand dollars  
5 (\$300,000) for all past and future medical and medically  
6 related expenses arising out of a single occurrence; and

7 (3) the [~~sum of four hundred thousand dollars~~  
8 ~~(\$400,000)~~] following sums to any person for any number of  
9 claims arising out of a single occurrence for all damages other  
10 than real property damage and medical and medically related  
11 expenses as permitted under the Tort Claims Act: [~~or~~

12 ~~(4) the sum of seven hundred fifty thousand~~  
13 ~~dollars (\$750,000) for all claims other than medical or~~  
14 ~~medically related expenses arising out of a single occurrence]~~

15 (a) four hundred twenty-five thousand  
16 dollars (\$425,000) in fiscal year 2009;

17 (b) four hundred fifty thousand dollars  
18 (\$450,000) in fiscal year 2010;

19 (c) four hundred seventy-five thousand  
20 dollars (\$475,000) in fiscal year 2011; and

21 (d) five hundred thousand dollars  
22 (\$500,000) in fiscal year 2012 and subsequent fiscal years.

23 B. The total liability for all claims pursuant to  
24 Paragraphs (1) and (3) of Subsection A of this section that  
25 arise out of a single occurrence shall not exceed the following

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1 sums:

2 (1) eight hundred thousand dollars (\$800,000)  
 3 in fiscal year 2009;

4 (2) eight hundred fifty thousand dollars  
 5 (\$850,000) in fiscal year 2010;

6 (3) nine hundred thousand dollars (\$900,000)  
 7 in fiscal year 2011; and

8 (4) nine hundred fifty thousand dollars  
 9 (\$950,000) in fiscal year 2012 and subsequent fiscal years.

10 ~~[B-]~~ C. Interest shall be allowed on judgments  
 11 against a governmental entity or public employee for a tort for  
 12 which immunity has been waived under the Tort Claims Act at a  
 13 rate equal to two percentage points above the prime rate as  
 14 published in the *Wall Street Journal* on the date of the entry  
 15 of the judgment. Interest shall be computed daily from the  
 16 date of the entry of the judgment until the date of payment.

17 ~~[C-]~~ D. No judgment against a governmental entity  
 18 or public employee for any tort for which immunity has been  
 19 waived under the Tort Claims Act shall include an award for  
 20 exemplary or punitive damages or for interest prior to  
 21 judgment."

22 Section 2. APPLICABILITY.--The provisions of this act  
 23 apply only to claims for damages resulting from torts committed  
 24 on or after July 1, 2008.

25 Section 3. EFFECTIVE DATE.--The effective date of the

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1 provisions of this act is July 1, 2008.

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